

ECONOMIC DEVELOPMENT, IOWA DEPARTMENT OF[261]

Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)"b."

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code sections 15.104 and 15.106, the Iowa Department of Economic Development proposes to amend Chapter 1, "Organization," Chapter 23, "Iowa Community Development Block Grant Program," Chapter 53, "Community Economic Betterment Account (CEBA) Program," Chapter 57, "Value-Added Agricultural Products and Processes Financial Assistance Program (VAAPFAP)," Chapter 59, "Enterprise Zone (EZ) Program," Chapter 60, "Entrepreneurial Ventures Assistance (EVA) Program," Chapter 61, "Physical Infrastructure Assistance Program (PIAP)," Chapter 68, "High Quality Job Creation (HQJC) Program," and Chapter 69, "Loan and Credit Guarantee Program"; adopt Chapter 74, "Grow Iowa Values Financial Assistance Program," and Chapter 75, "Opportunities and Threats Program"; and amend Chapter 165, "Allocation of Grow Iowa Values Fund," Chapter 173, "Standard Definitions," Chapter 174, "Wage, Benefit, and Investment Requirements," Chapter 175, "Application Review and Approval Procedures," Chapter 187, "Contracting," and Chapter 189, "Annual Reporting," Iowa Administrative Code.

These amendments are intended to implement 2009 Iowa Acts, Senate File 344. This rule making amends 15 existing chapters and adopts 2 new chapters. 2009 Iowa Acts, Senate File 344, simplifies four state financial assistance programs (CEBA, PIAP, VAAPFAP, EVA), three funding sources ("old money," IVF (FES), IVF (2005)), and two tax credit programs (HQJC, EZ). These legislative changes will make it easier for the Department to report on program results, easier for the public to evaluate performance, easier for the state to administer, and easier for businesses to understand performance expectations.

2009 Iowa Acts, Senate File 344, standardizes and simplifies the Department's state financial assistance requirements. The amendments accomplish the following:

- Provide that awards will be based on the creation or retention of high-quality jobs;
- Provide that award amounts will be based on the Fiscal Impact Ratio (FIR);
- Provide that awards are negotiable and tied to the Fiscal Impact Ratio (FIR);
- Establish standard qualifying wage thresholds (100 percent or 130 percent of county or regional wage, whichever is lower; 90 percent in Enterprise Zone and EDSA projects that do not receive awards from multiple programs);
- Establish a standard benefit package requirement (company must pay 80 percent of single or 50 percent of family coverage or a monetary equivalent for medical and dental coverage) for which the company will receive a 10 percent credit toward its wage threshold calculation (the benefits credit is only applicable to the 130 percent wage component and HQJP);
- Establish a standard project completion period (three years from project award date) and project maintenance period (two years from project completion date);
- Provide that all requests for assistance will be acted upon by the IDED Board; and
- Provide that businesses receiving more than one type of financial assistance will contract for and be measured on the highest wage requirement of the program components awarded.

Public comments concerning the proposed amendments will be accepted until 4:30 p.m. on August 5, 2009. Interested persons may submit written or oral comments by contacting Melanie Johnson, Iowa Department of Economic Development, 200 East Grand Avenue, Des Moines, Iowa 50309; telephone (515)725-3018.

The Department will hold a public hearing on Wednesday, August 5, 2009, from 2 to 4 p.m. to receive comments on these amendments. The public hearing will be held in the ICN Room, Second Floor, Iowa Department of Economic Development, 200 East Grand Avenue, Des Moines, Iowa 50309.

These amendments were also Adopted and Filed Emergency and are published herein as **ARC 7970B**. The content of that submission is incorporated by reference.

These amendments are intended to implement 2009 Iowa Acts, Senate File 344.